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SCO sues IBM for \$1 billion for 'devaluing Unix'

By [Andrew Orlowski in San Francisco](#) (andrew.orkowski@theregister.co.uk)

Published Friday 7th March 2003 09:59 GMT

What could be stranger than one Linux business suing another Linux business for devaluing UNIX™?

The SCO Group (formerly Caldera) has filed suit against IBM for investing in Linux and giving away proprietary technology in the operating system. IBM has a proprietary UNIX® - AIX™ - but has invested heavily in Linux, and with a thousand staff, is effectively the largest Linux™ employer.

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"IBM has taken our valuable trade secrets and given them away to Linux™," said Scaldra CEO Darl McBride.

The OpenGroup owns both the UNIX™ and the UNIXware™ trademarks; SCO owns the source code and implementation of UNIXware™. So this is a contract dispute.

But the small Utah company has a gun pointed at Big Blue's head: it has the right to revoke IBM's UNIX™ license.

Which is phenomenally strange. The "SCO Group" was founded as a pure-play Linux™ company, still has a Linux™ business itself, and if it believes that merging proprietary UNIX™ technologies into Linux™ is worth suing over, you'd think the first outfit it would sue would be itself. (Which reminds us of [this](http://www.borowitzreport.com/archive_rpt.asp?rec=529) recent topical satire).

"Linux™ (<http://www.caldera.com/products/linux/>)" is the first item you find when you reach the SCO Group's product menu. How did this come to pass?

Caldera was created in 1994 by a team of Novell Linux enthusiasts, headed by Ransom Love. It received seed capital from Novell CEO Ray Noorda. We'd meet Caldera in these years and they professed their ambition was to "get SCO".

Many years earlier, the Santa Cruz Operation had grown out of a California garage to become Microsoft's strategic partner - back in the days when Bill really did think UNIX™ would be the next big thing - porting a version of System V to the first Intel x86 processors. When Microsoft lost interest in Xenix™, SCO picked up the pieces, and made a success out of licensing it commercially.

In the meantime, as a part of Ray Noorda's ambitious Get Microsoft™ buying spree, Novell had picked up the UNIX™ trademark from USL (Unix System Laboratories) an AT&T float, and labored over an ambitious project that merged System V and BSD in something it called UnixWare™

But Novell was forced to rethink its World Domination Plan, round about 1995, and SCO picked up both the UNIX™ trademark and the UnixWare™ OS from Salt Lake City. It then set about repairing the code, survived a short-lived alliance with HP ("Gemini"), before releasing the UnixWare™ OS to its many OEMs, who included Compaq, IBM, DG, Sequent and Siemens.

At that point - and yes, here the ironies are falling like a monsoon rain - SCO announced a strategic partnership with IBM to "merge" the best features of AIX™ and UnixWare™ for the 64-bit Itanium processor in something called Monterey. Back in those balmy days, Itanium looked set to take over the world, and this pairing of SCO and IBM looked like a masterstroke. SCO had already forged an impressive technical partnership with Tandem that brought its NonStop clustering and single system image to UnixWare™, although the partnership fizzled out under the strain of maintaining two code bases and the Tandem clustering work is now open source. Monterey was completed, but never released.

Because along came Linux™. Pumped by an insane stock market valuation, the freshly-IPO'd Caldera merged with SCO in a deal we mocked at the time, but history proved us wrong. Ransom Love and Doug Michels saved both companies: although the Linux™

model proved to be unsustainable for the fourth distro, the ancient Xenix™ (now rechristened OpenServer™) code continued to bring home a steady revenue.

IBM had lost interest in Monterey and decided that Linux™ was its preferred Unix (no ™) on Intel. That left SCO to perform some amazing gymnastics. One cute idea, hatched before the SCO-Caldera merger was announced, was to contrive a Linux™ environment on UnixWare™ that promised better-than-native Linux™ performance (<http://www.theregister.co.uk/content/1/12733.html>).

SCO is a much-loved institution and many *Register* friends past and present have passed through its doors. But the decision to take on IBM - which holds more computer patents than its rivals combined - in an IP case looks like the quixotic Noorda's last stand.

(Contrary to what we wrote in an earlier draft, the Open Group owns the UNIX™ trademark. It owns the source code, so this will play out as a contract dispute).

They don't get much stranger than this. As the *Borowitz Report* (http://www.borowitzreport.com/archive_rpt.asp?rec=529) describes so in its topical satire:

"He's telling the world that he'll attack himself and he'll prevail, but once he gets our money, he'll attack himself and lose," Mr. Fleischer said. "It's just more of his double-talk." ®

Related Links

Scaldera's company history (<http://www.sco.com/company/history.html>)

Jorn's UNIX/Linux timeline (<http://www.robotwisdom.com/linux/timeline.html>)

Them was those ACE days? [for UnixWare veterans only]

(<http://www.att.com/news/1091/911010.ula.html>)

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Caldera hints at Java-like UnixWare license

(<http://www.theregister.co.uk/content/archive/12864.html>)

IDC pricks SCO-Caldera bubble (<http://www.theregister.co.uk/content/archive/12516.html>)

Scaldera born in flames (<http://www.theregister.co.uk/content/archive/17961.html>)

Caldera announces layoffs (<http://www.theregister.co.uk/content/archive/18527.html>)

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SCO lives! Caldera reinvents itself under the old brand

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